

**1982
ANNUAL REPORT**



**La Caisse centrale
Desjardins du Québec**

 desjardins

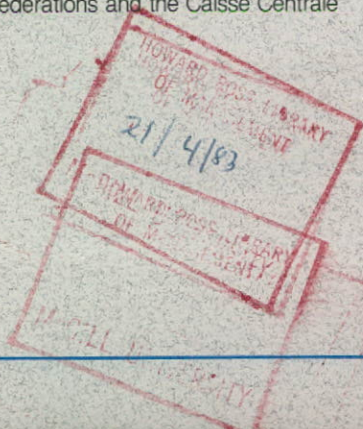
1982 Annual Report

Highlights

	December 31, 1981	December 31, 1982
Total assets	\$ 829,402,513	\$ 1,074,831,605
Loan portfolio	133,170,606	218,955,049
Securities	514,247,637	830,258,598
Deposit liabilities	401,011,474	634,621,601
Issued and fully paid capital stock	316,200,000	409,400,000
Total income	24,072,842	141,264,605
Income before remuneration of capital stock	12,269,508	60,596,958

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Report of the President

This is my second annual report as president of La Caisse centrale Desjardins du Québec. Thanks to the clarity of vision that inspired its creators, in particular our founding president Alfred Rouleau, the Caisse Centrale has enjoyed unmitigated success since its inception three years ago.

In 1982 the Caisse Centrale took another major step forward in its development by making significant additions to its repertoire of financial services, thereby strengthening its role as financial agent of the Desjardins Group.

The Caisse Centrale does not deal directly with either individuals or local Caisses, but rather complements the activities of the latter by providing financial services to its member Federations and other Desjardins affiliates, as well as to government organizations, major corporations and medium-sized businesses.

During the period under review, world-wide recession characterized by unusually high and volatile interest rates resulted in increased competition among financial institutions for high quality credit. I am pleased to report, however, that despite the unfavorable economic climate the Caisse Centrale managed to enlarge its loan portfolio by 64% while improving its overall operating results.

A YEAR OF PROGRESS

Last year the development of the Caisse Centrale was devoted primarily to consolidating the financial structure of the Desjardins Group, with the aim of giving local Caisses greater flexibility in serving their communities. Through the concerted action of the Caisse Centrale and its member Federations, the local Caisses gain access to a far more powerful financial network. This action is already producing a tangible impact on the Desjardins Group as a whole.

For example, there has been a reduction in float costs borne by the Caisses and a decrease in administrative costs connected with the handling of payment items. In this regard, an agreement signed in April 1982 has enabled a major government agency to take advantage of the Desjardins Group's computerized network and make direct deposits by electronic transfer.

The Caisse Centrale also participated in a pilot project that has resulted in the successful implementation of a centralized, on-line payments system linking all 1,700 Desjardins service points. Desjardins was the first financial group to offer this service on such a large scale to major public and private organizations.

- During the year negotiations continued with both levels of government in areas where the Caisse Centrale can help the local Caisses improve their efficiency and profitability. A major step in this direction was taken at the federal level when the Financial Administration Act was amended to permit deposits by the federal government and its agencies with the Caisse Centrale.

As a result, both the Canadian and Quebec governments deposited funds with the Caisse Centrale in connection with their latest savings bond issue. These funds were withdrawn at predetermined intervals, which helped offset the negative impact of the outflow of such funds on the Caisses' liquidity position.

Both levels of government reacted positively to the initiatives of the Caisse Centrale, and indicated a willingness to treat the Desjardins Group on a more equitable basis in distributing government business among Canadian financial institutions.

In addition, the appropriate mechanisms for wider access to Canadian capital markets are now in place, which will enable the Caisse Centrale to further diversify its sources of funds.

THE CANADIAN PAYMENTS ASSOCIATION

The Caisse Centrale was actively involved, on behalf of the Desjardins Group, in laying the groundwork for the start-up of the Canadian Payments Association, Canada's national clearings and settlements system. Meanwhile, work continued apace on establishing the infrastructure required to assume responsibility for settling accounts directly with the Bank of Canada. This project will be completed in 1983.

INTERNATIONAL RELATIONS

On the international level, closer ties were established with financial institutions that are the most active on European capital markets. In this respect, the Caisse Centrale's equity participation in London and Continental Bankers Ltd. of London, England, has developed into a mutually beneficial relationship that has already begun to yield positive results.

The Caisse Centrale also strengthened business relationships with a number of its international counterparts. Last November, it hosted a seminar that brought together the major European cooperative banks and the North American credit union centrals.

OUTLOOK

Although a full recovery of the economy is not expected in 1983, it appears that a turnaround has already begun. Given the dynamic and vigilant approach that has been the hallmark of its management in previous years, the Caisse Centrale is well-positioned to take advantage of a more favourable economic climate.

On the verge of its fourth year of activity, the Caisse Centrale has already built a solid reputation among the organizations with which it has had dealings thus far, and is already recognized as a force in the market place, both as a borrower and a lender.

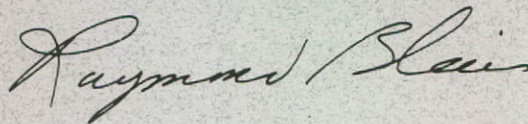
Now, with virtually all of the elements required for continued growth firmly in place, the Caisse Centrale is ready to implement the next phases of its development plan. The main priorities for 1983 will be to increase penetration of Canadian and international capital markets, to further develop business relations with existing and potential clients, to broaden the range of services now offered to members and customers, and to consolidate the Caisse Centrale's administrative infrastructure, mainly through continued development of its computerized management information system.

The Caisse Centrale can thus be expected to have a stronger presence on Canadian and international financial markets in the coming year.

CONCLUSION

The directors, the members of the Executive Committee, the management, and indeed, all personnel of the Caisse Centrale can take great pride in the fact that even though economic conditions were difficult, the past year's results have not only met, but exceeded our expectations.

The strength of the Caisse Centrale lies in its people, and it is upon their business insight and ingenuity, their ability to adapt to client needs and changing markets, and above all their cooperative spirit, that the future of our organization rests. I am pleased to report that judging by the past year's performance, the future looks very positive.



Raymond Blais
President

Financial Review

Growth of assets

- Results obtained by the Caisse Centrale in 1982 were highly satisfactory. Total assets, which reached the \$1 billion mark for the first time during the year, rose to \$1,075 million by December 31, an increase of \$245 million, or 30%, over the preceding year (Figure 1). Two main factors accounted for this growth:
 - increase in the investment portfolio;
 - increase in the loan portfolio.
- The market value of the securities portfolio at year-end exceeded the amortized cost by \$5.8 million. In the loan portfolio, high-quality credit eliminated the need to establish a provision for losses.
- Average assets amounted to \$997 million, a jump of 76% over last year. This reflects a significant rise in the volume of business handled during the year. Operating results were derived almost entirely from Canadian activities.
- The forecast for 1983 calls for the Caisse Centrale to maintain a sustained growth rate while preserving the high quality of its assets.

Increase in the investment portfolio

- By year-end, the Caisse Centrale's securities portfolio amounted to \$830 million, an increase of 61% over 1981. This portfolio is composed of highly-negotiable, first-quality instruments (Figure 2), which places the Caisse Centrale in a strong liquidity position. As at December 31, 1982, current assets exceeded short-term liabilities by \$414 million. A significant portion of this amount is due to capital stock contributions, the total amount of which has been invested in money market securities in accordance with current policy.

Figure 1

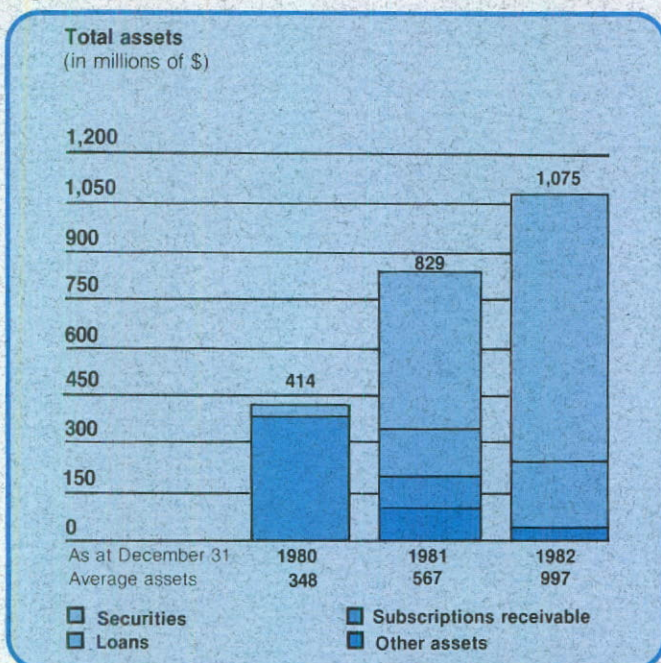
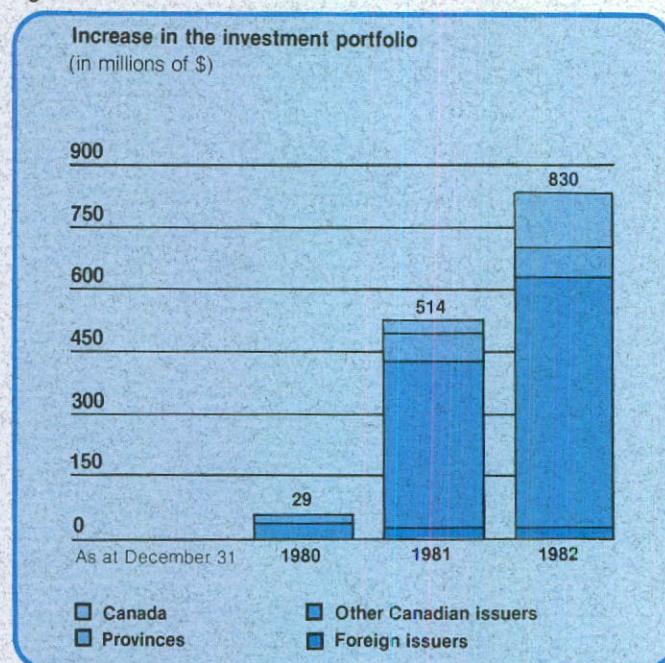


Figure 2

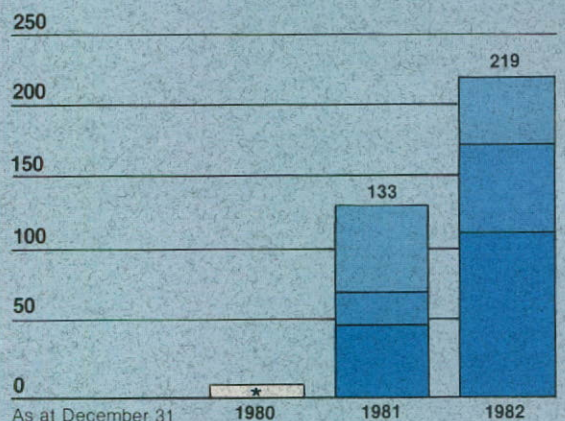


Increase in the loan portfolio

- While increasing its loan portfolio by 64% over the year, the Caisse Centrale maintained a policy of strict adherence to case review standards in order to ensure high-quality credit. Loan demand from member Federations was low due to their high liquidity position. However, loans to other Desjardins affiliates more than doubled, from \$11 million to \$27 million. During the year the Caisse Centrale granted loans in participation with its member Federations and local Caisses when the amounts required by borrowers such as municipalities, school commissions and hospitals exceeded the available funds of the Federations and Caisses. The Caisse Centrale's outstanding loans to the public sector amounted to \$58 million as at December 31, 1982. Loans to major corporations and medium-sized businesses totalled \$119 million. In keeping with the Caisse Centrale's policy of diversifying risk in its lending operations, these loans were spread among several clients in different business sectors. The loan portfolio does not involve any sovereign risk since virtually all loans are granted to Canadian borrowers.
- In 1982 the Caisse Centrale continued to develop its role as a lender to Desjardins Federations, public institutions and organizations, and large cooperative enterprises and private corporations (Figure 3). Caisse Centrale lending operations are designed to provide professional and competitive financial services adapted to borrowers' specific needs. Clients are offered the possibility of choosing an interest rate based on either the Caisse Centrale's prime rate or its cost of funds. The latter option has proven to be a viable alternative to other means of financing generally available on the market. Clients of the Caisse Centrale benefited from this option in 1982 through a reduction of their cost of borrowing.

Figure 3

Breakdown of loan portfolio
(in millions of \$)



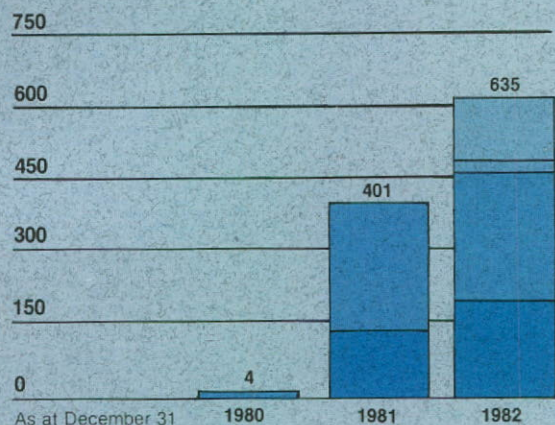
Loans to public organizations
 Loans to members and Desjardins Group affiliates
 Loans to private corporations

Growth of deposit liabilities

- Deposits rose to nearly \$635 million at year-end, an increase of \$234 million (Figure 4). This 58% growth indicates the success experienced by the Caisse Centrale in Canadian financial markets. Throughout the year, the Caisse Centrale continued its efforts to penetrate Canadian and international capital markets. The main objective of this operation is to diversify the Desjardins Group's traditional sources of funding. To this end, the Caisse Centrale registered its first prospectus with the securities commissions of all ten Canadian provinces. On the international level, the Caisse Centrale established business relationships with over a hundred of the most active financial institutions in European capital markets.
- The Caisse Centrale's asset-liability management policy is to match deposits with assets. Treasury operations do not involve any foreign exchange risk.

Figure 4

Breakdown of deposit portfolio
(in millions of \$)



Deposits by Canada
 Deposits by members and Desjardins Group affiliates
 Other deposits
 Deposits by other public organizations

Growth of members' equity

- Issued and paid-up capital rose from \$316 million to \$409 million during the year, producing a 29% increase in members' equity (Figure 5). The capitalization program initiated in October 1980 was completed in September 1982 on schedule. Through this program the 11 Federations of the Desjardins Group each contributed an amount equivalent to 4% of the deposits in their affiliated Caisses as of December 31, 1980. Four (4) Desjardins affiliates also became members of the Caisse Centrale in 1982: Quebec Trust, The Safeguard Life Assurance Company, le Groupe Desjardins, Assurances Générales, and Desjardins Mutual Life Assurance Company.
- Remuneration of capital stock during the past year totalled \$60 million. This was paid on a monthly basis, yielding a weighted annual return of 17.2% on shares. The full amount of retained earnings was transferred to the general reserve fund, which now stands at \$972,770.

Income for the period

- Income for the period, totalling \$141 million, was produced as follows (Figure 6): securities generated more than \$110 million, representing 78% of the total; loans accounted for 21% of the total, or \$29 million; the remaining \$2 million was derived from other operating income, mainly commissions and management fees.
- Up to October 14, 1981, the Caisse Centrale devoted a good portion of its activities to development and implementation of its operational structure and to other organizational matters. For this reason, only income and expenditures since that date were recorded in the 1981 income statement.

Figure 5

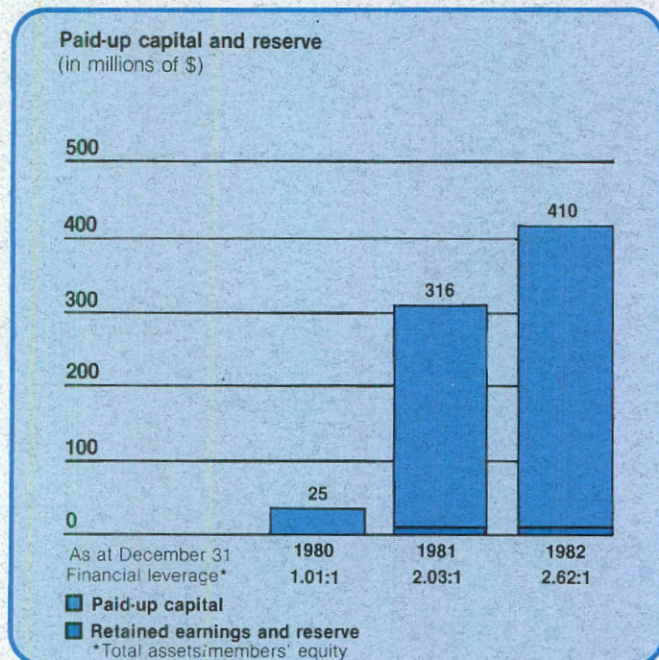
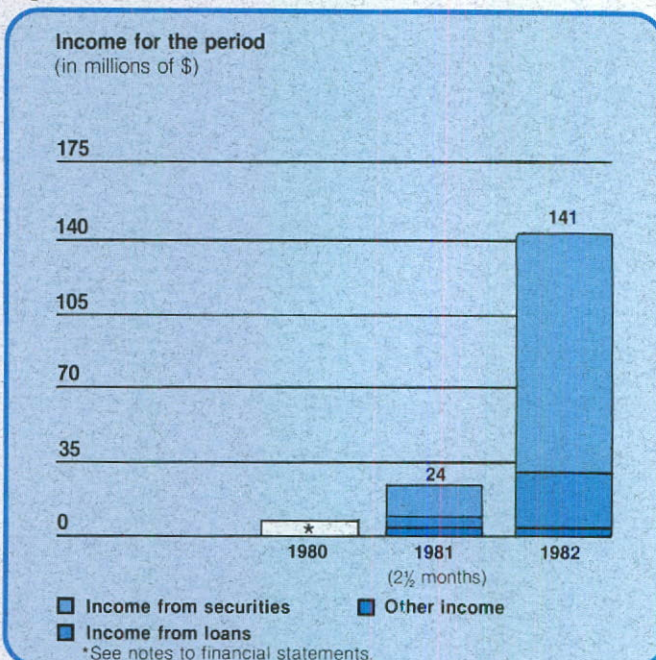


Figure 6



Net income

- Income before capital stock remuneration (Figure 7) amounted to \$61 million in 1982. A net interest margin of 6.4% was achieved following deduction of interest expenses. This spread represents the difference between the average return on the portfolio and the average cost of funds.
- Non-interest expenses (salaries, benefits, premises and miscellaneous expenses) were kept below \$4 million, representing only 4% of the Caisse Centrale's total expenses.
- Net income after remuneration of capital stock and provision for income taxes came to \$752,741, which was transferred to the general reserve fund.

The Caisse Centrale's prime rate

- In early 1982 the Caisse Centrale began publishing its prime rate (Figure 8) in Canada. This rate is defined as the annual interest rate applied by the Caisse Centrale on certain categories of loans granted in Canadian dollars. It is comparable to the prime rate offered by other major financial institutions and is regularly adjusted on the basis of market conditions. After levelling off during the first half of 1982, the Caisse Centrale's prime rate took a downward turn and ended up at 12.5% by year-end.

Figure 7

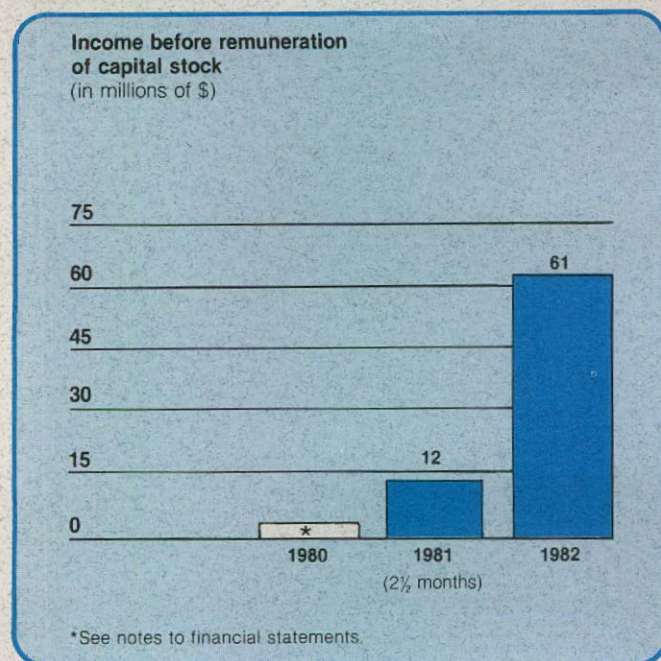
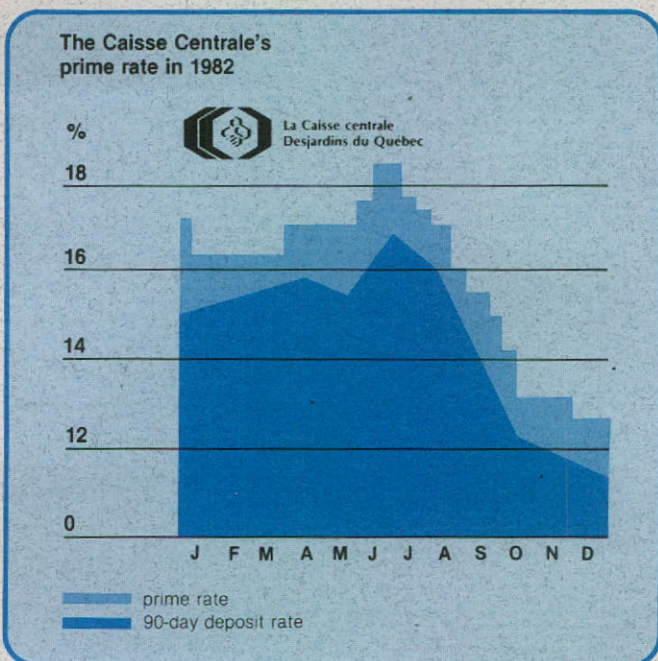


Figure 8



Statement of Assets and Liabilities

December 31, 1982

La Caisse centrale Desjardins du Québec

ASSETS	1981	1982
Cash Resources		
Demand deposit (Note 3)	\$ 80,051,534	\$ 6,783,138
Subscriptions Receivable	93,150,000	—
Securities (Note 4)		
Issued or guaranteed by Canada	11,397,861	136,023,470
Issued or guaranteed by provinces	68,913,833	72,537,654
Other securities	433,935,943	621,697,474
	514,247,637	830,258,598
Loans (Note 5)		
Day, call and short loans to investment dealers, brokers and members, secured	20,958,000	—
Other loans	112,212,606	218,955,049
	133,170,606	218,955,049
Fixed Assets, at amortized cost	369,522	401,711
Other Assets (Note 6)	8,413,214	18,433,109
	\$ 829,402,513	\$ 1,074,831,605
LIABILITIES		
Deposits (Note 7)		
Payable on demand	\$ 80,051,534	\$ 6,783,138
Payable on a fixed date	320,959,940	627,838,463
	401,011,474	634,621,601
Other Liabilities (Note 8)	18,821,010	29,837,234
	419,832,484	664,458,835
MEMBERS' EQUITY		
Capital Stock (Note 9)		
Issued and fully paid: 409,400 shares (316,200 as at December 31, 1981) of which 93,200 were issued during the year	316,200,000	409,400,000
Subscribed: 93,150 shares	93,150,000	—
	409,350,000	409,400,000
General Reserve	—	972,770
Retained Earnings (Note 10)	220,029	—
	409,570,029	410,372,770
	\$ 829,402,513	\$ 1,074,831,605

On behalf of the Board,

Raymond Blain Director

Josée Bernier Director

Statement of Income

Year ended December 31, 1982

La Caisse centrale Desjardins du Québec

	1981	1982
	(2½ months)	(12 months)
Interest Income		
Loans	\$ 2,873,300	\$ 29,117,085
Securities	20,699,540	110,392,760
Other income	500,002	1,754,760
Total interest income	24,072,842	141,264,605
Interest Expense	11,207,844	77,038,069
Net Interest Income	12,864,998	64,226,536
Non-Interest Expenses		
Salaries	208,986	1,573,695
Pension contributions and other staff benefits	36,940	207,504
Premises, including depreciation and amortization of preliminary expenses	129,653	628,299
Other expenses	219,911	1,220,080
Total non-interest expenses	595,490	3,629,578
Income Before Remuneration of Capital Stock	12,269,508	60,596,958
Remuneration of capital stock (Note 11)	11,984,479	59,669,217
Income Before Provision for Deferred Income Taxes	285,029	927,741
Provision for deferred income taxes	65,000	175,000
Net Income	\$ 220,029	\$ 752,741

Statement of Retained Earnings and General Reserve

Year ended December 31, 1982

	(2½ months)	(12 months)
Retained Earnings		
Balance, beginning of year	\$ —	\$ 220,029
Net income	220,029	752,741
Transfer to general reserve	—	972,770
Balance, end of year	\$ 220,029	\$ —
General Reserve		
Balance, beginning of year	\$ —	\$ —
Transfer from retained earnings	—	972,770
Balance, end of year	\$ —	\$ 972,770

Statement of Changes in Financial Position

Year ended December 31, 1982

La Caisse centrale Desjardins du Québec

	1981 (2½ months)	1982 (12 months)
Source of Cash Resources		
Net income	\$ 220,029	\$ 752,741
Items not affecting funds:		
Depreciation of fixed assets	41,067	50,977
Amortization of preliminary expenses	71,366	345,993
Deferred income taxes	65,000	175,000
Funds provided from operations	397,462	1,324,711
Increase in deposits	397,411,474	233,610,127
Increase in other liabilities	17,329,643	10,841,224
Proceeds from subscriptions receivable	291,050,000	93,150,000
Issue of capital stock	150,000	50,000
	706,338,579	338,976,062
Application of Cash Resources		
Increase in securities	485,346,260	316,010,961
Increase in loans	133,170,606	85,784,443
Purchase of fixed assets	102,999	83,166
Increase in other assets	7,828,004	10,365,888
	626,447,869	412,244,458
Increase (decrease) in cash resources	79,890,710	(73,268,396)
Cash resources, beginning of year	160,824	80,051,534
Cash resources, end of year (Note 3)	\$ 80,051,534	\$ 6,783,138

Notes to Financial Statements

December 31, 1982

La Caisse centrale Desjardins du Québec

1. Incorporating Act

La Caisse centrale Desjardins du Québec was established on June 22, 1979, by an Act of the Quebec Legislature (an Act to amend the Act respecting La Confédération des caisses populaires et d'économie Desjardins du Québec (S.Q. 1971 c. 80 – S.Q. 1979 c. 46 and amendments)). La Caisse centrale Desjardins du Québec is a cooperative institution that is also governed by the Savings and Credit Unions Act of Quebec. Operations began on October 14, 1981.

2. Accounting Policies

a) Securities:

Securities other than those of a foreign issuer are shown at amortized cost. Premiums and discounts are amortized over the terms of the related securities on a straight-line basis. Any permanent impairment in the value of securities is charged to income. Profits and losses on the disposal of securities are included in income when incurred.

Amortization of premiums and discounts, profits or losses incurred on the disposal of securities and adjustments in the value of securities are included in interest income from securities in the statement of income. Investments in securities of a foreign issuer are shown at cost.

b) Loans:

Loans are recorded at principal amount less unamortized discount and, when applicable, specific provisions for losses. Accrued interest on loans is included in other assets in the statement of assets and liabilities.

Based on an evaluation of all outstanding loans, and considering that no interest is overdue, no provision for losses has been charged to the statement of income. Interest income is recorded on the accrual basis.

c) Fixed Assets:

Fixed assets are recorded at historical cost and depreciated over their estimated useful life at the following annual rates and under the following methods:

	Depreciation Methods	Rates
Office furniture and equipment	Diminishing balance	20 %
Computer equipment	Diminishing balance	30 %
Leasehold improvements	Straight-line	4 %

d) Preliminary Expenses:

Preliminary expenses represent operation expenses in the amount of \$ 1,729,963 incurred during the establishment period of La Caisse centrale Desjardins du Québec. They are amortized on a straight-line basis over a five (5) year period as of October 14, 1981.

e) Integrated Computer System Development Expenses:

The integrated computer system development expenses, amounting to \$ 2,288,215 (1981 – \$ 785,744), will be amortized on a straight-line basis over a ten (10) year period from the beginning of the various systems' operations.

f) Foreign Currency Translation:

Long-term assets acquired in foreign currencies are translated into Canadian dollars at the exchange rates prevailing at the time of the transaction. Other amounts included in the statement of assets and liabilities are translated into Canadian dollars at the rate prevailing at year-end. Revenue and expenses in foreign currencies are translated using average exchange rates for the year.

Foreign exchange positions are hedged as much as practicable by forward exchange contracts. Realized or unrealized profits and losses on these exchange positions are included in other income in the statement of income.

g) Income Taxes:

La Caisse centrale Desjardins du Québec provides for income taxes using the tax allocation method. Deferred income taxes arise from claiming preliminary expenses and integrated computer system development expenses for tax purposes whereas they are or will be amortized for book purposes over periods of five (5) and ten (10) years, respectively.

3. Demand Deposit

This deposit represents the clearing account of the members for which La Caisse centrale Desjardins du Québec acts only as an intermediary and did not receive any compensation in 1981 and 1982.

4. Securities

	1981		1982	
	Book Value	Market Value	Book Value	Market Value
Canada treasury bills maturing within one year	\$ 11,397,861	\$ 11,417,800	\$ 77,837,041	\$ 78,563,260
Other Canada securities maturing within three years	—	—	58,186,429	59,486,182
Securities issued or guaranteed by Canadian provinces	68,913,833	68,964,756	72,537,654	72,724,219
Securities of Canadian non-government issuers	432,898,653	435,373,464	620,660,184	624,238,216
Securities of a foreign issuer (Note 15)	1,037,290	1,037,290	1,037,290	1,037,290
Total	\$ 514,247,637	\$ 516,793,310	\$ 830,258,598	\$ 836,049,167

5. Loans

	1981	1982
Members	\$ 49,208,000	\$ 14,120,000
Other related corporations	11,400,000	27,223,878
Banks	—	234,460
Public institutions	9,395,483	15,900,890
Parapublic institutions	17,585,174	42,592,170
Private institutions	45,581,949	118,883,651
	\$ 133,170,606	\$ 218,955,049

6. Other Assets

	1981	1982
Preliminary expenses, at amortized cost	\$ 1,641,310	\$ 1,312,604
Integrated computer system development expenses, at cost	785,744	2,288,215
Accrued interest	5,587,260	14,574,541
Other	398,900	257,749
	\$ 8,413,214	\$ 18,433,109

7. Deposits

	1981	1982
Deposits by Canada	\$ —	\$ 131,035,000
Deposits by provinces	—	2,401,371
Deposits by other parapublic institutions	—	22,718,616
Deposits by banks	94,170,011	41,197,085
Deposits by members for clearing	80,051,534	6,783,138
Deposits by members, other	180,224,000	250,681,013
Deposits by other related corporations	4,015,929	14,348,037
Other	42,550,000	165,457,341
	\$ 401,011,474	\$ 634,621,601

8. Other Liabilities

	1981	1982
Accrued interest	\$ 17,695,652	\$ 26,559,560
Accounts payable	1,060,358	3,037,674
Deferred income taxes	65,000	240,000
	\$ 18,821,010	\$ 29,837,234

9. Capital Stock

The capital stock of La Caisse centrale Desjardins du Québec is composed of the shares subscribed for by its members. The value of each share is \$ 1,000 and no share can be issued without having been fully paid for.

La Caisse centrale Desjardins du Québec can redeem the shares held by a member applying therefor. This redemption has to be at the par value but must not leave La Caisse centrale Desjardins du Québec with insufficient capital stock to meet its requirements. La Caisse centrale Desjardins du Québec cannot redeem more than 10 % of its capital stock during the same financial year. No redemption can be made if it would result in reducing the capital stock to less than \$ 25,000,000.

10. Retained Earnings

The directors of La Caisse centrale Desjardins du Québec have approved the transfer of the full amount of retained earnings to a general reserve as a provision for contingencies.

11. Remuneration of Capital Stock

The act incorporating La Caisse centrale Desjardins du Québec stipulates that the Board of Directors can declare interest on the capital stock; it then fixes the date of payment. It cannot declare or pay interest on capital stock if this would render La Caisse centrale Desjardins du Québec insolvent or decrease the paid-up capital stock.

12. Letter of Guarantee

La Caisse centrale Desjardins du Québec guarantees the payment of the debts of a client. The amount of the letter of guarantee issued is not shown in the statement of assets and liabilities. At December 31, 1982, this guarantee amounts to \$ 3,225,000 (1981 – \$ 3,225,000).

13. Other Transactions with Members and Other Corporations Related to the Desjardins Group

	1981	1982
Other assets	\$ 1,697,448	\$ 956,846
Other liabilities	16,251,291	25,650,170
Interest income	1,865,000	8,357,206
Interest expense	6,728,000	40,890,470
Remuneration of capital stock	11,984,479	59,669,217
Management fees	500,002	1,200,000
Letter of guarantee	3,225,000	3,225,000

These transactions represent the transactions not shown separately in the financial statements.

Transactions with members and other corporations related to the Desjardins Group are concluded on terms similar to those with unrelated parties.

Loans to members are fully guaranteed by securities.

14. Long-Term Leases

La Caisse centrale Desjardins du Québec is committed under long-term leases expiring on April 30, 2005 to pay total basic rent of \$ 2,255,011 for office space. These leases will become renegotiable on October 15, 1986. The annual rental payments for the next five years are as follows:

1983 - \$ 96 783; 1984 - \$ 110 321; 1985 - \$ 122 168; 1986 - \$ 107 952; 1987 - \$ 99 152.

15. Contingency

In 1981, La Caisse centrale Desjardins du Québec acquired 1.5 % of the capital stock of a foreign bank. At the time of this acquisition, La Caisse centrale Desjardins du Québec agreed by way of a support letter to assume, in proportion to its equity, certain obligations in conformance with the Bank of England's requirements for foreign-owned banks in Great Britain.

16. Segmented Information

La Caisse centrale Desjardins du Québec has a dominant industry segment consisting of deriving income from interest on loans and securities and other related activities in Canada.

17. Comparative Figures

Certain comparative figures have been reclassified to conform with the presentation adopted in the current year.

Auditors' Report

To the Members of La Caisse centrale Desjardins du Québec

We have examined the statement of assets and liabilities of La Caisse centrale Desjardins du Québec as at December 31, 1982 and the statements of income, retained earnings and general reserve and changes in financial position for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of La Caisse centrale Desjardins du Québec as at December 31, 1982 and the results of its operations and the changes in its financial position for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding period.

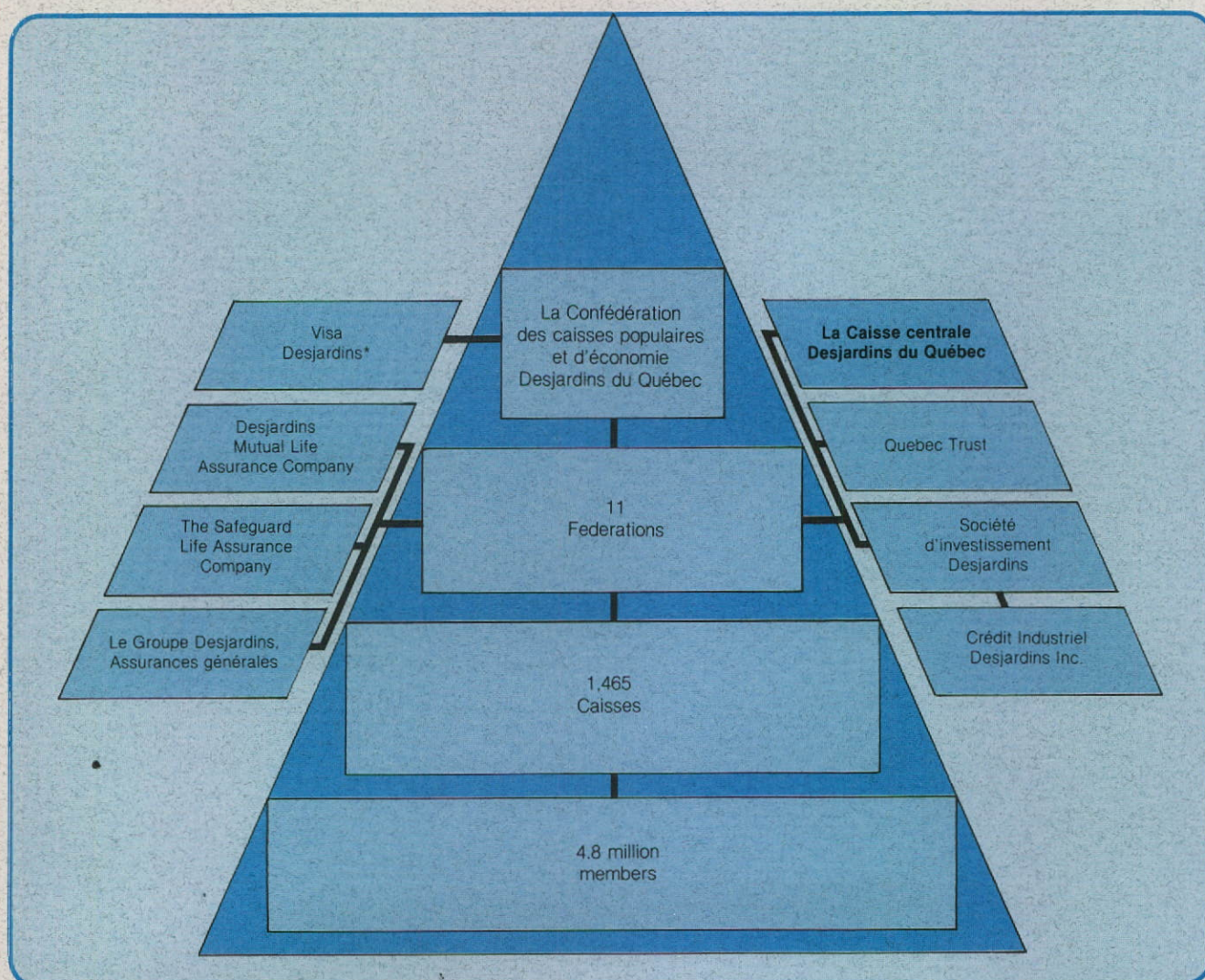
Raymond, Chabot, Martin, Paré & Associés

Chartered Accountants

Montreal
January 24, 1983

Composition of the Desjardins Group

as of December 31, 1982



* Visa Desjardins is operated by Centre Desjardins de traitement de cartes Inc. Other affiliates of the Desjardins Group are: L'Institut Coopératif Desjardins, La Fondation Girardin-Vaillancourt, Société de développement

international Desjardins, Corporation de fonds de sécurité de la Confédération Desjardins, La Société d'habitation Alphonse Desjardins, Sécurité Desjardins Ltée and Corporation Desjardins de traitement informatique.

Growth of the Caisses, their Federations and the Caisse Centrale, over the past five years on a combined basis

	(in millions of dollars)				
As at December 31	1978	1979	1980	1981	1982
Assets	\$ 8,788	\$ 10,204	\$ 11,543	\$ 13,264	\$ 15,772
Savings deposits	7,578	8,986	10,273	11,941	14,306
Loans	5,985	7,530	8,569	9,405	10,780
Securities	2,048	1,972	2,072	2,823	3,909
Caisse membership (in thousands)*	3,815	3,949	4,285	4,500	4,800
Number of service outlets**	1,440	1,633	1,639	1,673	1,735

Data for the *Fédération des caisses d'économie Desjardins du Québec* and its affiliated Caisses are included from 1979, the year they joined the Desjardins Group. Data for *La Caisse centrale Desjardins du Québec* are included from 1980.

* An individual may belong to more than one Caisse; it is estimated that the actual number of Quebecers with at least one Caisse membership is about 3.5 million.

** Some Caisses have more than one service outlet.

Directors and Officers

Board of Directors

President *Raymond Blais (1983) President, La Confédération des caisses populaires et d'économie Desjardins du Québec	*Jacques Bertrand (1985) Senior Vice President and General Manager, Fédération des caisses populaires Desjardins de Québec	A. Hervé Hébert (1985) President, Quebec Trust
Vice President *Guy Bernier (1985) President, Fédération des caisses populaires Desjardins de Montréal et de l'Ouest-du-Québec	Laurent Bisson (1983) Senior Vice President and General Manager, Fédération des caisses populaires Desjardins de la Péninsule et des îles	Wesley Hogg (1984) Senior Vice President and General Manager, Fédération des caisses populaires Desjardins du Bas Saint-Laurent
Secretary Jean-Marie Ouellet (1985) President, Fédération des caisses populaires Desjardins de Québec	Paul-R. Charbonneau (1983) General Manager, Fédération des caisses populaires Desjardins de Lanaudière	Serge Limoges (1984) General Manager, Fédération des caisses populaires Desjardins de l'Abitibi
*Claude Béland (1983) Senior Vice President and General Manager, Fédération des caisses d'économie Desjardins du Québec	Raymond Comtois (1984) Senior Vice President and General Manager, Fédération des caisses populaires Desjardins de l'Estrie	François Richard (1984) Senior Vice President and General Manager, Fédération des caisses populaires Desjardins de Montréal et de l'Ouest-du-Québec
Jean-Eudes Bergeron (1983) General Manager, Fédération des caisses populaires Desjardins du Saguenay-Lac Saint-Jean	*Denis Frenière (1984) Senior Vice President and General Manager, Fédération des caisses populaires Desjardins de Richelieu-Yamaska	Henri-Paul Trudel (1985) President, Fédération des caisses populaires Desjardins du centre du Québec

* Member of the Executive Committee

Management Committee

Executive Vice President
Bruno Riverin
Vice President, Finance
Jean Laflamme

Vice President, Administration
Michel Côté
Vice President, Legal Affairs
André Couture

Manager, Special Projects
Mario Lavoie

Officers

Office of the Executive Vice President

Bruno Riverin
Executive Vice President
André Couture
Vice President, Legal Affairs
Mario Lavoie
Manager, Special Projects

Finance and Investment

Jean Laflamme
Vice President, Finance
Fernand Lafleur
Manager, Credit
Daniel Leclair
Manager, Treasury Department
Michel Lanouette
Manager, Investment
Michel Thérien
Manager, Planning and Research

Administration

Michel Côté
Vice President, Administration
Raymond Laurin
Comptroller
Robert Proulx
Manager, Clearing and Systems

Corporate Information

Auditors

Raymond, Chabot, Martin, Paré & Associés
Montreal, Quebec

Registrar

Quebec Trust
Montreal, Quebec

Issuing and Paying Agents, Transfer Agents

Quebec Trust
Montreal and Quebec City
The Royal Bank of Canada
Vancouver, Calgary, Edmonton
Winnipeg, Toronto, Halifax

Head Office

100, avenue des Commandeurs
Lévis, Quebec

Administrative Office

1, Complexe Desjardins
South Tower — Suite 2822
Montreal, Quebec H5B 1B3

Stock Brokers

Merrill Lynch Royal Securities Ltd.
Wood Gundy Ltd.
Burns Fry Ltd.
Dominion Securities Ames Ltd.
Lévesque, Beaubien Inc.
McLeod Young Weir Ltd.

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an institution of the

mouvement des caisses
populaires et d'économie
desjardins